



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Natural Resources

DIVISION OF OIL AND GAS

550 W. 7th Avenue Suite 1100
Anchorage, Alaska 99501-3560
Main: 907.269.8800
Fax: 907.269.8939

March 31, 2023

PUID: LONS-08-003-PM031723A

Erin Bragg
Environmental Consultant
Hilcorp Alaska, LLC
3800 Centerpoint Drive #1400
Anchorage, AK 99503

RE: LONS 08-003, Hilcorp Alaska, LLC, Milne Point Unit, Tract 14 Module and Piling Installation Unit Plan of Operations Amendment Decision.

Dear Ms. Bragg:

The Alaska Department of Natural Resources, Division of Oil and Gas (Division), in accordance with Alaska Statute 38.05 and Alaska Oil and Gas Leasing Regulations (11 AAC 83) grants authorization to conduct activities on state lands as proposed in the Milne Point Unit (MPU) Plan of Operations (Plan) amendment application dated March 17, 2023 for the above referenced project.

Scope:

Hilcorp Alaska, LLC (HAK) is requesting authorization to install a fuel gas skid module, an unclassified electrical module, and pilings for the two modules and the junction heater previously permitted on November 2, 2022 (LONS-08-003GP110122A) at the Tract 14 intersection in the Milne Point Unit. A total of 20 piles will be installed (eight piles under the heater and twelve piles under the fuel gas skid and unclassified electrical module). The modules and heater will be installed six feet above the ground. The purpose of the modules is to provide extra power and gas supply to the Tract 14 heater. All equipment will be stored and refueled on existing roads and pads. The project is scheduled to begin on or around April 3, 2023, and will be completed by December 31, 2023.

Plan activities include:

- Install eight piles for the previously permitted junction heater.
- Install twelve piles for the fuel gas skid and unclassified electrical module.
- Place the 40-foot by 12.5-foot junction heater on the eight piles, six feet above the ground.
- Place a 20-foot by 8-foot fuel gas module on a portion of the twelve piles, six feet above the ground.
- Place a 20-foot by 14-foot unclassified electrical module on the remaining portion of twelve piles, 6 feet above the ground.

Location information:

MPU

Tract 14

Meridian: Umiat Township: 13N Range: 10E Section: 23

70.463262, -149.476195 NAD83

ADL: 047437

Tract 14 is located approximately ten miles northeast of the Kuparuk airstrip.

Agency review:

The Division provided a review and comment opportunity for the activities considered for the authorization under this decision. The following government entities were notified on March 17, 2023, for comment on the Plan: US Army Corp of Engineers (USACE), Alaska Department of Environmental Conservation (ADEC), Alaska Department of Fish and Game (ADF&G), Alaska Department of Natural Resources: Divisions of Mining, Land & Water (DMLW) and Oil and Gas (DOG), and the North Slope Borough (NSB). The comment deadline was 4:30 pm Alaska time on March 31, 2023. No comments were received.

Conditions/Stipulations:

A certified As-Built Survey of the activity shall be provided within one year of placement of the improvement. This As-Built must contain a hard copy, as well as a digital GIS file containing a shapefile or ESRI Feature Class.

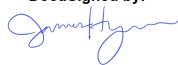
Please attach this amendment approval with the original decision. This unit operations amendment approval is issued in accordance with Alaska Statute 38.05, Alaska Administrative Codes 11 AAC 83.346 and 11 AAC 83.303. The Division reviewed this amendment under the unit regulation for the Plan, 11 AAC 83.346, and considers the factors set forth in 11 AAC 83.303(a) and (b). The amendment was also evaluated against the MPU agreement for conformance.

This approval signifies only that the State of Alaska has no objection to the operations outlined in the Plan amendment application. It does not constitute certification of any property right or land status claimed by the applicant nor does it relieve the applicant of responsibility to obtain approvals or permits from other persons or governmental agencies that may also be required. All stipulations contained in the original lease and subsequent Plan approvals remain in full force and effect.

If activities have not commenced, this approval expires on March 31, 2026. Failure to comply with the terms and conditions outlined in the lease, the attached stipulations, and this authorization may result in revocation of this unit operations approval.

Any questions or concerns about this amendment may be directed to Natural Resource Specialist Hayley Beitel at (907)269-8570 or emailed to hayley.beitel@alaska.gov.

Sincerely,

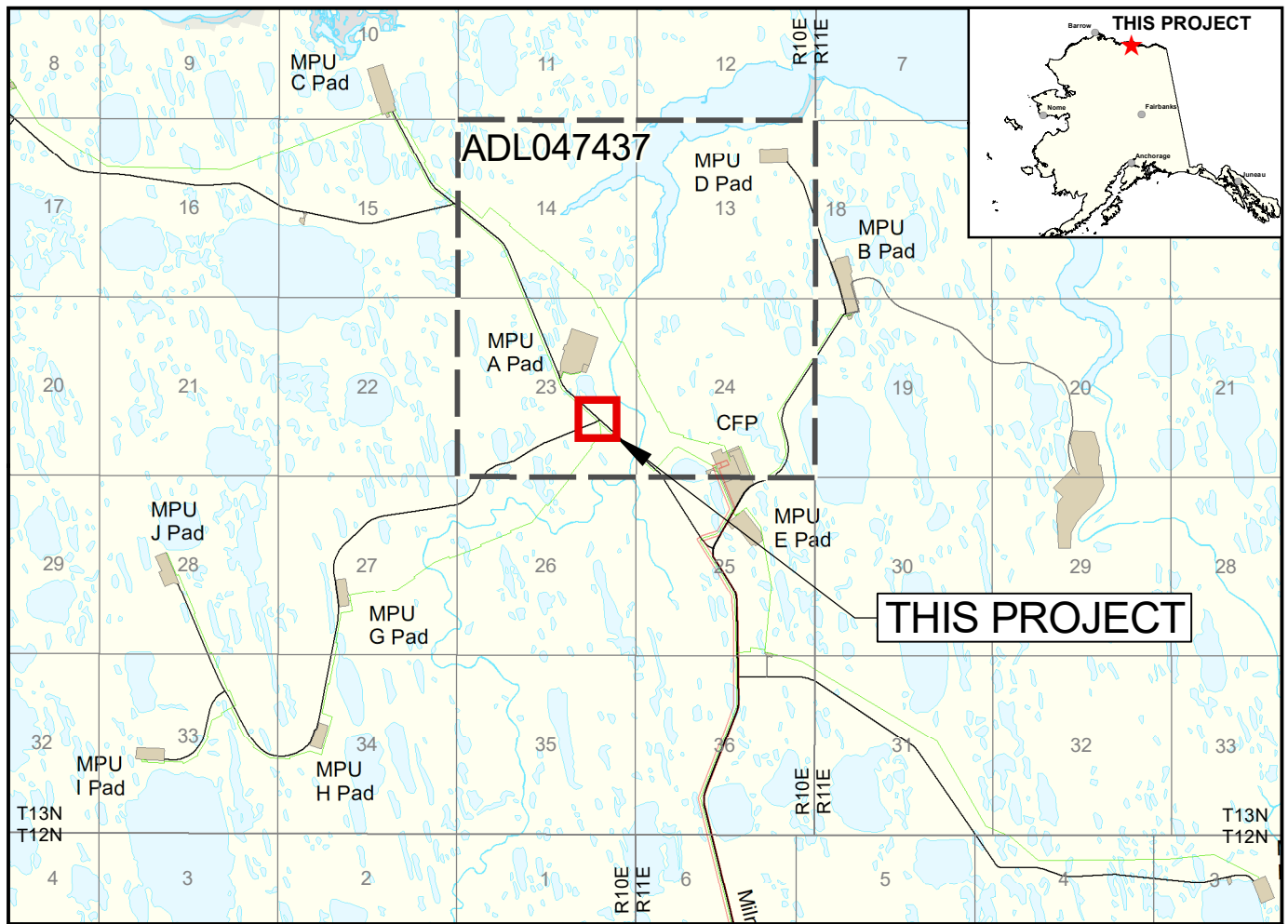
DocuSigned by:

0050FDD48FD6464...

James Hyun
Natural Resource Specialist

A person affected by this decision may appeal it, in accordance with 11 AAC 02. Any appeal must be received within 20 calendar days after the date of "issuance" of this decision, as defined in 11 AAC 02.040(c) and (d) and may be mailed or delivered to the Commissioner, Department of Natural Resources, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska 99501; faxed to 1-907-269-8918, or sent by electronic mail to dnr.appeals@alaska.gov. Under 11 AAC 02.030, appeals and requests for reconsideration filed under 11 AAC 02 must be accompanied by the fee established in 11 AAC 05.160(d)(1)(F), which has been set at \$200 under the provisions of 11 AAC 05.160 (a) and (b). This decision takes effect immediately. If no appeal is filed by the appeal deadline, this decision becomes a final administrative order and decision of the department on the 31st calendar day after issuance. An eligible person must first appeal this decision in accordance with 11 AAC 02 before appealing this decision to Superior Court. A copy of 11 AAC 02 may be obtained from any regional information office of the Department of Natural Resources.

Attachments: Figures 1-3
2018 North Slope Mitigation Measures

ecc: DOG: Graham Smith, Ashley Ethridge, Alexander Zinck, Hayley Beitel, Molly Fenton,
James Hyun, Rebecca Marks, DOG Units, and SPCO Records
DMLW: DMLW North Slope, SAIL and Henry Brooks
ADF&G: Chelsea Clawson and Maria Wessel
ADEC: Laurie Silfven, DEC Water Oil and Gas, DEC Agency Reviews, and DEC
Contaminated Sites
Borough: North Slope Borough Planning and Permitting
Other: USACE



This map is based on U.S.G.S quad Beechey Point (B-5)
and on the Unit Operator's Facility Maps.



PROJECT LOCATION:

MILNE POINT UNIT - TRACT 14 RECEIVER PAD

NAD83

LAT. = 70° 27' 47.7432" / DD 70.463262

LONG. = - 149° 28' 34.302" / DD -149.476195

ALASKA STATE PLANE ZONE 4, NAD83

X = 1,704,579 FEET

Y = 6,019,425 FEET

ADL # 047437 SEC. 2 T13N, R10E UMIAT M.

ADJACENT PROPERTY OWNER:

STATE OF ALASKA

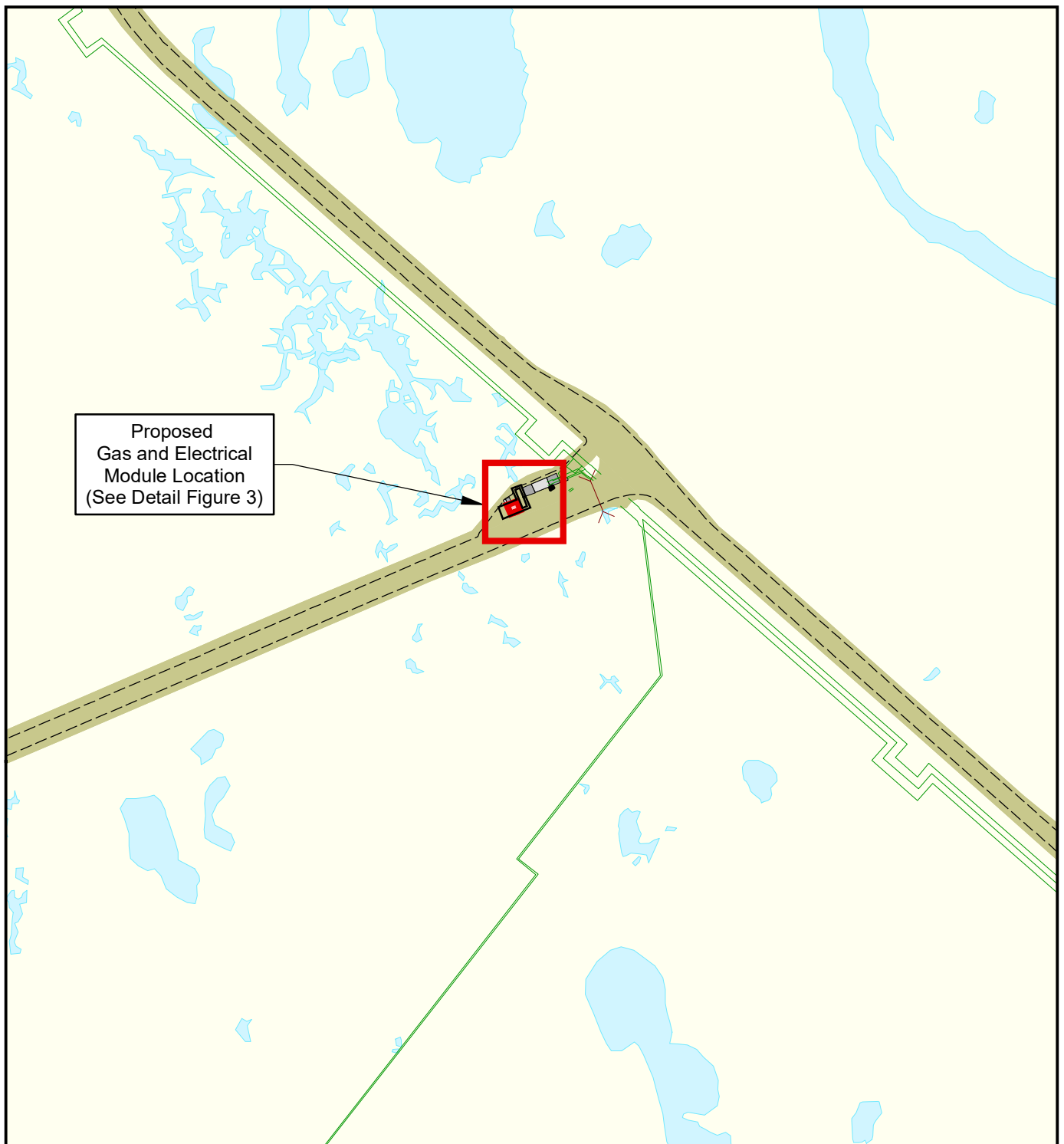
HILCORP ALASKA, LLC

MILNE POINT UNIT
TRACT 14 RECEIVER PAD
GAS AND ELECTRICAL MODULE
VICINITY MAP

DATE:
March 2023

SCALE:
1" = 1 Mile

FIGURE:
1



New gravel mapped using 2021 aerial photography and lidar. New gravel mapping meets 1947 USGS National Map Accuracy Standards for 1"=50' scale. Other features shown for orientation purposes only. Coordinate reference system: NAD83 Alaska State Plane Zone 4 (usft.), based on USC&GS monumentation. Map prepared by Hilcorp Alaska, LLC.



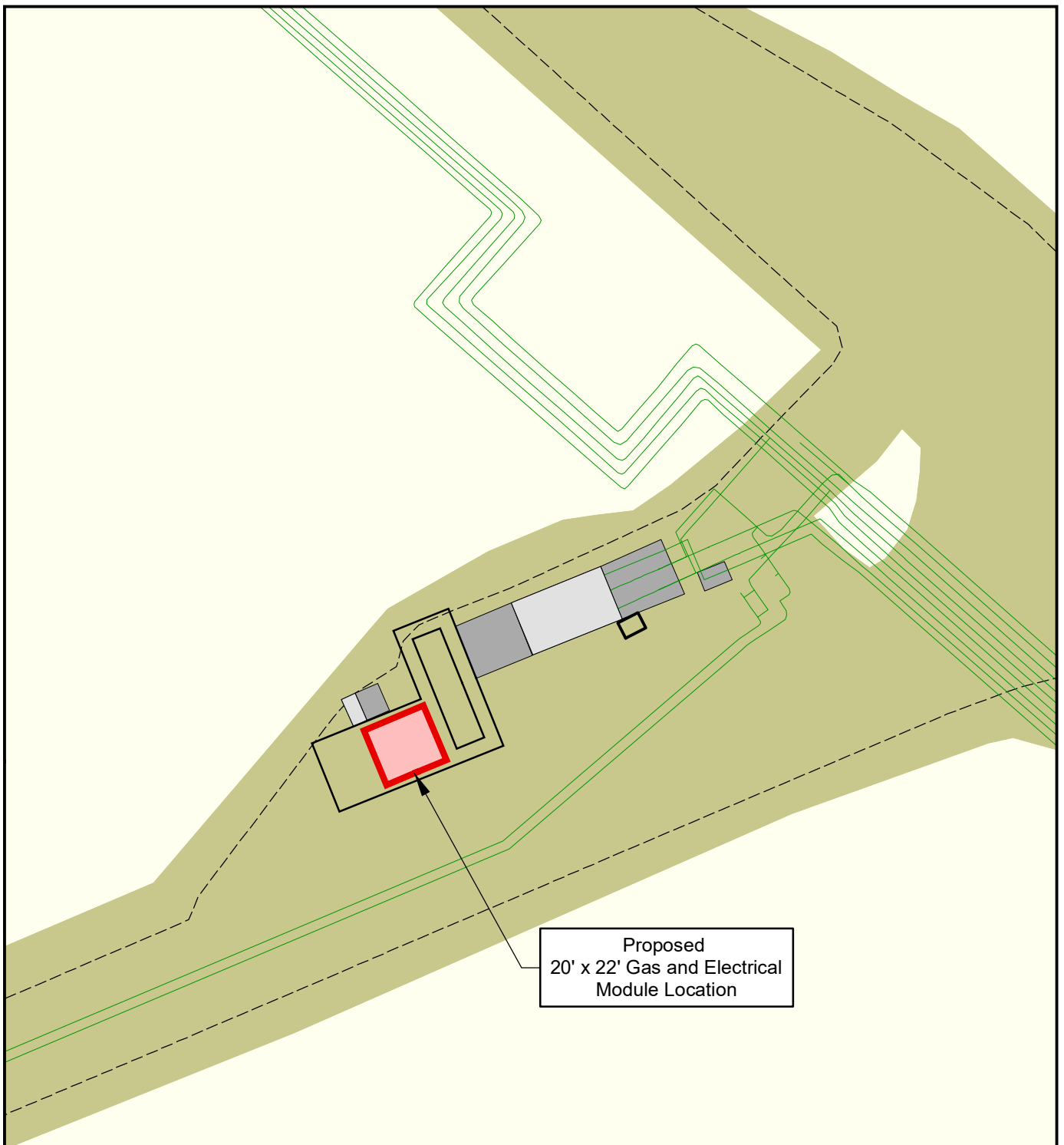
HILCORP ALASKA, LLC

MILNE POINT UNIT TRACT 14 RECEIVER PAD GAS AND ELECTRICAL MODULE LOCATION MAP

DATE:
March 2023

SCALE:
1" = 300'

FIGURE:
2



New gravel mapped using 2021 aerial photography and lidar. New gravel mapping meets 1947 USGS National Map Accuracy Standards for 1"=50' scale. Other features shown for orientation purposes only. Coordinate reference system: NAD83 Alaska State Plane Zone 4 (usft.), based on USC&GS monumentation. Map prepared by Hilcorp Alaska, LLC.



HILCORP ALASKA, LLC

MILNE POINT UNIT TRACT 14 RECEIVER PAD GAS AND ELECTRICAL MODULE DETAIL MAP

DATE:
March 2023

SCALE:
1" = 50'

FIGURE:
3